



FISCAL MEMORANDUM

SB 756 - HB 1248

March 6, 2023

SUMMARY OF BILL AS AMENDED (003806): By October 1, 2023, requires the Tennessee Bureau of Investigation (TBI) to create an elder financial exploitation reporting system that accepts reports from financial institutions.

Requires the TBI to coordinate with the District Attorney General (DAG) in the appropriate judicial district and, when appropriate, with other law enforcement agencies and Adult Protective Services, to investigate reports of suspected elder financial exploitation.

Authorizes a financial service provider that has reasonable cause to suspect that an elderly or vulnerable adult is the victim or target of financial exploitation to convey the suspicion to the TBI's financial exploitation reporting system.

Creates an Elder Abuse Investigator position within the DAGs office of each judicial district.

Establishes that an Elder Abuse Investigator may investigate: (1) suspected cases of physical abuse, neglect, or financial exploitation of individuals 65 years of age or older or of otherwise vulnerable adults; (2) reports of financial exploitation made to the TBI's elder financial exploitation reporting system; and (3) other crimes as requested by the DAG.

FISCAL IMPACT OF BILL AS AMENDED:

**Increase State Expenditures – \$2,620,000/FY23-24
\$2,409,200/FY24-25 and Subsequent Years**

Assumptions for the bill as amended:

- Based on information provided by the TBI, over the past three years there has been an average of 1,583 suspicious activity reports per year of financial exploitation for seniors before a criminal investigation is initiated, and an average of 1,240 reports per year to Adult Protective Services from banks or financial institutions regarding suspicion that the adult is a victim or a target of financial exploitation.
- According to the TBI, over the past three years there has been an average of 7,123 financial fraud victims involving elders per year reported to law enforcement.
- The TBI will require two Intelligence Analyst 2 positions to accommodate the increase in elder financial exploitation reports.

- The total one-time increase in state expenditures associated with the two new positions is estimated to be \$12,400 [(\$3,500 computer + \$2,700 office furniture) x 2 positions] in FY23-24.
- The total recurring increase in state expenditures associated with the two new positions is estimated to be \$167,412 [(\$59,496 salaries + \$17,210 benefits + \$7,000 other expenses) x 2 positions] in FY23-24 and subsequent years.
- Passage of the proposed legislation will create 32 Elder Abuse Investigator positions within the DAGs office of each judicial district.
- Per the language of the proposed legislation, each Elder Abuse Investigator position will be compensated equal to that of a Criminal Investigator.
- The total one-time increase in state expenditures associated with the 32 new positions is estimated to be \$198,400 [(\$3,500 computer + \$2,700 office furniture) x 32 positions] in FY23-24.
- The total recurring increase in state expenditures associated with the 32 new positions is estimated to be \$2,241,792 [(\$45,216 salaries + \$14,840 benefits + \$10,000 other expenses) x 32 positions] in FY23-24 and subsequent years.
- The total increase in state expenditures is estimated to be \$2,620,004 (\$12,400 + \$167,412 + \$198,400 + \$2,241,792) in FY23-24 and \$2,409,204 (\$167,412 + \$2,241,792) in FY24-25 and subsequent years.

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.



Krista Lee Carsner, Executive Director

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